

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	
)	Civil Action No. _____
PAGE EDMUNDS III, and PAGE)	
EDMUNDS LLC d/b/a RENTER’S)	
AVENUE,)	
)	
Defendants.)	

COMPLAINT

The United States of America, by and through its attorney, Andrew M. Luger, United States Attorney for the District of Minnesota, brings this suit against Defendants Page Edmunds III, and Page Edmunds LLC d/b/a Renter’s Avenue (collectively, “Defendants”) for violation of the Fair Housing Act by discriminating on the basis of race and/or national origin and by retaliating against persons engaging in protected activity. In support of this Complaint, the United States of America alleges as follows:

NATURE OF ACTION

1. This is a civil action brought by the United States to enforce the Fair Housing Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. § 3601, *et seq.* (the “Act”).
2. The United States alleges that Defendants refused to rent on the basis of race and/or national origin and made discriminatory statements on the basis of race

and/or national origin in violation of 42 U.S.C. § 3604(a) and 3604(c). The United States further alleges that Defendants engaged in retaliatory conduct against an individual engaged in protected conduct in violation of the 42 U.S.C. § 3617.

3. Thomas Lee and Cice Ayang filed a complaint of discrimination and retaliation with the United States Department of Housing and Urban Development (HUD) on their own behalf and on behalf of Lee's minor daughter and minor half-sister. After an investigation, HUD charged Defendants with discrimination in violation of 42 U.S.C § 3604(a) and (c). Finally, HUD charged Defendants with interfering and retaliating against Lee on the basis of his having engaged in protected activity, in violation of 42 U.S.C. § 3617.

4. Under the Fair Housing Act, 42 U.S.C. § 3612(a), Lee elected to have the claims asserted in the HUD charge be decided in this civil action.

5. The United States, therefore, brings this action for injunctive relief and monetary damages on behalf of Lee, Ayang, Lee's minor daughter and Lee's minor half-sister pursuant to the Fair Housing Act, 42 U.S.C. § 3612(o).

JURISDICTION AND VENUE

6. This Court has jurisdiction over the subject matter of this action pursuant to 42 U.S.C. § 3612(o) and 28 U.S.C. §§ 1331 and 1345.

7. Venue is proper in this judicial district under 28 U.S.C. § 1391 because the alleged discrimination, discriminatory statements, and retaliation occurred in this district, and the housing property at issue is located in this district.

PARTIES

8. Plaintiff is the United States of America.

9. Defendant Page Edmunds III (“Edmunds”) is a Minnesota resident and the owner of a three-bedroom townhouse located at 10928 Colorado Avenue North, Champlin, Minnesota 55316 (“the subject property”). The subject property constitutes a dwelling within the meaning of 42 U.S.C. § 3602(b) and is not exempt from the Act.

10. At all times relevant, Edmunds was a realtor and a property manager who managed residential rental properties for other property owners.

11. Defendant Page Edmunds LLC (“PEL”) is a business entity under which Edmunds operates a property management business. PEL also operates under the assumed name “Renter’s Avenue.” Edmunds is the primary member and agent of PEL.

12. Thomas Lee, his mother Cice Ayang, his minor half-sister, and his minor daughter were all prospective tenants of the subject property (hereinafter the “Lee Family”). All four are of Hmong descent and all four are aggrieved persons under 42 U.S.C. § 3602(i).

FACTUAL ALLEGATIONS

13. On or about March 1, 2014, Lee viewed an online advertisement that listed the subject property available for rent at \$999 per month. The advertisement listed Renter’s Avenue and www.rentersavenue.com as the licensed property manager.

14. The subject property was under lease until March 31, 2014 and available to rent on April 1, 2014.

15. On or about March 1, 2014, after Lee expressed interest in the property, Edmunds contacted him and they agreed to meet later that same day to view the subject property.

16. Later that same day, the Lee Family and two friends of Lee's minor half-sister visited the subject property where they met with Edmunds. When Edmunds asked who would reside at the subject property, Lee replied that he would live there along with his mother, his 15 year-old half-sister, and his eight year-old daughter.

17. At the showing, Lee expressed interest in renting the subject property and completed a rental application on site. Lee also paid \$80 in cash to Edmunds as an application fee, which consisted of \$40 for each adult applicant.

18. The next day, on or about March 2, 2014, Edmunds sent a text message to Lee's cellular telephone, requesting that he obtain Lee's and Ayang's credit reports using a free service from a website called "creditkarma.com." He advised that a screen shot of the report would be acceptable.

19. That same day, Lee secured his credit report from creditkarma.com and submitted a screen shot to Edmunds via text message. Lee's credit score was 725.

20. Lee attempted to pull credit reports for his mother but encountered technical problems obtaining a report from creditkarma.com. Instead he used the paid credit reporting service "TransUnion." Lee submitted Ayang's TransUnion credit report to Edmunds by e-mail. Edmunds requested a different report, because the TransUnion report did not show Ayang's credit score.

21. On March 2, 2014, Edmunds also asked Lee to “assist by identifying all those that would reside at the address.”

22. On March 3, 2014, Lee responded stating that the occupants would be him, his mother, his 15 year old half-sister, and his 8 year old daughter.

23. Edmunds responded that same day asking Lee to provide his mother’s credit report when it became available.

24. On or about March 6, 2014, Lee responded that he was still waiting for his mother’s credit report and asked if Edmunds would like to pull her report instead. He also inquired whether Edmunds had completed the background check yet.

25. On or about March 6, 2014, Edmunds responded: “Can’t complete BG checks without your Mom’s credit report. Also, please identify all parties that would occupy the rental.”

26. On or about March 7, 2014, Lee responded to Edmunds via e-mail, explaining how Ayang was unable to access her account through creditkarma.com, and offered, instead, to provide Ayang’s information so that Edmunds could independently check her credit. In the same e-mail, Lee indicated that if they could not get the requested credit report and the background checks had not yet been completed, his family would pass on the subject property and have the application fees returned. Finally, Lee also identified the prospective occupants as himself, his mother, his 15 year-old half-sister and his 8 year-old daughter.

27. On March 7, 2014, Edmunds replied to Lee, asking if his mother had a bank account.

28. On March 9, 2014, Lee affirmed that his mother had a bank account and offered to provide a bank statement.

29. On March 10, 2014, at 9:03 a.m., Edmunds responded, stating that Ayang should be able to pull her credit score off of creditkarma.com if she has a bank account and that he would keep the application open through Wednesday March 12, 2014.

30. On March 10, 2014, at 9:17 a.m., Lee wrote back stating that he was not sure he could meet the Wednesday deadline because of the technical difficulties he was experiencing with creditkarma.com.

31. On March 10, 2014, at 10:32 a.m., Edmunds responded, suggesting that Lee use “one of the other online credit report services.”

32. Ultimately, Lee obtained Ayang’s credit report from the paid credit reporting service “Experian,” and e-mailed it to Edmunds at 10:50 a.m. on March 10, 2014. The credit report listed Ayang’s name and showed a credit score of 761.

33. Less than four hours later, at 2:43 p.m. on March 10, 2014, Edmunds emailed Lee, stating as follows: “I regret to relay that the rental application has been declined. Both adults would have to sign the lease contract. Ms. Ayang appears to have limited English skills. As I’m told, legal precedent indicates the contract must be translated to her native language, if not, she could easily break the lease. Such translation costs are very costly. Sincerely, Page Edmunds/Renter’s Avenue.”

34. Lee responded at 2:50 p.m. on March 10, 2014, stating, in relevant part, “So we are denied because my mom speaks limited English, from what I understand that is not a valid reason to deny an application.” He also emphasized that both his and his

mother's credit scores were good and that their income was more than enough to cover the rent.

35. In response, on March 10, 2014, at 3:34 p.m., Edmunds stated via e-mail that “[i]t is becoming a common problem. People with limited English skills can break contracts, almost at will, if not translated. A certified translation is required. About \$500. – PE/RA”.

36. At approximately 3:45 p.m., Lee responded, asking when he could stop by to pick up the application fee. Five minutes later, Edmunds stated that “App fees are not refundable. They cover application processing, including background checks.”

37. At 3:54 p.m., Lee responded, noting that Edmunds previously stated that he was waiting for the credit report to conduct the background check. He also inquired why Edmunds failed to mention Ayang's English language issue before accepting the application fee.

38. Lee wrote Edmunds again at 4:22 p.m., stating: “I just submitted an inquiry to HUD regarding this as this is the first I've heard about denying applicants based on their limited ability to understand English.” Lee stated further: “I guess I will wait to hear back from HUD to see if this discrimination based on national origin is legal in the state of MN.”

39. At 4:25 p.m. Edmunds responded to Lee's 3:54 p.m. e-mail, stating that the background checks have since been done and that “I just today learned of language/contract issue yesterday. Friend is getting divorced from a Russian gal. As with all legal docs, the decree requires a special legal translation, or it won't hold up in Court.”

40. At 4:37 p.m., Edmunds wrote back to Lee's 4:22 p.m. e-mail involving the HUD complaint, stating: "Tom: are you willing to pay \$500 for the translation? I'm not required to enter into a legal contract with a party that may later claim they didn't understand it. Also, I am very bothered by the constant excuses I've heard from you over the last several days. You've been very uncooperative during this process. I've had to make repeated requests for data, and you were trying to get the app approved before submitting everything that was requested. Okay, your Mom is NOT turned down for communication issues. You are turned down for being too difficult to work with. Your mom is approved, and you are declined – PE/RA (no further communications from you will be responded too [sic])".

41. On March 10, 2014, at 4:53 p.m., Lee again responded to Edmunds by e-mail and advised him: "I'm fully capable of entering a legal contract. I'm a Real Estate Broker after all and I know discrimination when I see it." Lee also noted that there were no problems with his credit score or Ayang's credit score, and that he provided all of the information requested by Edmunds before Wednesday, March 12. Finally, Lee stated that Edmunds was the first landlord he had heard of who had applicants pull their own credit report after paying an application fee.

42. At 7:09 p.m. that evening, Edmunds wrote Lee again, providing other reasons for denying the rental application. Specifically, Edmunds stated that he had to make repeated requests regarding who the intended occupants would be and for Ayang's credit data. Edmunds concluded by saying: "Your Mom is approved, and you are declined for being a jerk. I do not want to do business with you, and do not want you in

my home, sitting on \$125K of my Real Estate, and have to put up with you further attempting to manipulate things your way.”

43. At 7:46 p.m., Lee responded to Edmunds’ e-mail and stated that he provided the names of all prospective occupants on two occasions, after each time Edmunds requested the information. Lee asserted that Edmunds was discriminating against them based on his assumption that Ayang does not know how to read or write English. He emphasized that Edmunds never asked if Ayang could speak or write English, never offered them the option to pay a translation fee before rejecting them, and inflated the translation fee estimate to discourage his family from renting there.

44. At 8:38 p.m., Edmunds responded by e-mail, wherein he threatened to have Lee sanctioned for failing to disclose his real estate license or for impersonating a licensee.

45. Lee filed a complaint with HUD alleging that Defendants discriminated against his family on the basis of race and later amended the complaint to add a complaint of discrimination on the basis of national origin.

46. On May 9, 2014, Defendants answered the HUD complaint, admitting that the Lee Family’s application was initially rejected based on Ayang’s “limited English skills,” specifically stating that it was “disapproved because neither applicant would pay ordinary lease translation costs.” Edmunds further asserted that “[p]ast legal counsel has advised that those not versed in English must be provided with certified translations in order for lease contracts to be binding.”

47. Edmunds further stated that “[u]pon review, Ms. Ayang was approved, and Mr. Lee was disapproved,” and that the decision was based on Lee’s communications regarding prospective occupants and the timing of Lee’s disclosure that he had a real estate license.

48. Edmunds informed HUD that he ultimately rented the subject property to a personal friend who is part Caucasian and part American Indian.

PROCEDURAL BACKGROUND

49. As required by the Fair Housing Act, 42 U.S.C. § 3610(a) and (b), the Secretary of HUD conducted an investigation of the complaint made by Lee and Ayang, attempted conciliation without success, and prepared a final investigative report.

50. Based on the information gathered in his investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g), determined that reasonable cause exists to believe that illegal discriminatory housing practices occurred. Therefore, on or about April 9, 2015, the Secretary issued a Determination of Reasonable Cause and Charge of Discrimination pursuant to 42 U.S.C. § 3610(g), charging the Defendants with discrimination under the Fair Housing Act under 42 U.S.C. §§ 3604(a), 3604(c) and 3617.

51. On April 17, 2015, the Charge of Discrimination, Determination of Reasonable Cause and Important Notice documents were returned to HUD’s Office of Regional Counsel. On April 21, 2015, HUD resent the above documents to the Lee and Ayang’s confirmed address, and they received the packet on April 22, 2015. Accordingly, their deadline for electing to have their claims heard in federal court was May 12, 2015.

52. On May 11, 2015, Lee transmitted a timely election to the Office of Hearings and Appeals to have claims asserted in the Charge decided in a civil action pursuant to 42 U.S.C. § 3612(a). On May 11, 2015, HUD Administrative Law Judge Alexander Fernandez issued a Notice of Election to Proceed in United States federal district court, stating that an election had taken place on May 11, 2015.

53. Following the Notice of Election, the Secretary of HUD authorized the Attorney General to commence a civil action pursuant to 42 U.S.C. § 3612(o).

54. The United States now timely files this Complaint pursuant to the Fair Housing Act, 42 U.S.C. § 3612(o).

FAIR HOUSING ACT VIOLATIONS

55. The United States incorporates by reference paragraphs 1-54 herein.

56. Defendants discriminated against the Lee Family on the basis of race and/or national origin by making housing otherwise unavailable when they denied their application to rent the subject property, in violation of 42 U.S.C. § 3604(a).

57. Defendants made statements with respect to the dwelling that indicated discrimination on the basis of the Lee Family's race and/or national origin, in violation of 42 U.S.C. § 3604(c).

58. Defendants retaliated against Thomas Lee on the basis of his having engaged in protected activity when they coerced, intimidated, threatened or interfered with Lee by denying his individual application after he informed Edmunds that he had submitted an inquiry to HUD, and threatened to have him sanctioned for failing to

disclose his real estate license or for impersonating a licensee in violation of 42 U.S.C. § 3617.

59. As a result of Defendants' conduct, Lee, Ayang, Lee's half-sister, and Lee's daughter are aggrieved persons as defined in 42 U.S.C. § 3602(i) and have suffered injuries as a result of Defendants' actions.

60. Defendants' discriminatory and retaliatory actions were intentional, willful, and taken in disregard of the rights of the Lee Family.

PRAYER FOR RELIEF

WHEREFORE, the United States prays that the Court enter an order that:

- A. Declares that the discriminatory housing practices of Defendants as set forth above violate the Fair Housing Act, as amended, 42 U.S.C. § 3601, *et seq.*;
- B. Enjoins Defendants, their agents, employees, and successors and all other persons in active concert or participation with them from retaliating or discriminating on the basis of race and/or national origin, in violation of the Act;
- C. Awards such monetary damages as will fully compensate Thomas Lee, Cice Ayang, Thomas Lee's minor half-sister, and Thomas Lee's minor daughter for any and all injuries caused by Defendants' discriminatory and retaliatory conduct;
- D. Orders Defendants to take such affirmative steps as may be necessary to restore, as nearly as practicable, the aggrieved persons to the position they would have been in but for the discriminatory conduct;
- E. Order Defendants to take such actions as may be necessary to prevent the recurrence of any discriminatory conduct in the future and to eliminate, to the extent practicable,

the effects of their unlawful conduct, including implementing policies and procedures to ensure that no applicants or residents are discriminated against because of race and/or national origin;

F. Awards such additional relief as the interest of justice may require.

Dated: June 10, 2015

ANDREW M. LUGER
United States Attorney

/s/ Bahram Samie

BAHRAM SAMIE
Assistant United States Attorney
Attorney I.D. No. 392645
District of Minnesota
600 United States Courthouse
300 South Fourth Street
Minneapolis, MN 55415
E-Mail: bahram.samie@usdoj.gov
Phone:(612) 664-5600
Fax: (612) 664-5788